

## PART 75—INFORMAL GRANT APPEALS PROCEDURES

### Subpart A—Indirect Cost Appeals

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### Subpart A—Indirect Cost Appeals

#### § 75.1 Purpose.

This subpart establishes informal procedures for resolving disputes arising in the negotiation of indirect cost rates and certain other cost allocations (as set forth in § 75.2) that are used in determining amounts to be reimbursed under grants awarded by the Operating Divisions of the Department of Health and Human Services. A grantee must exhaust the procedures set forth in this subpart prior to appealing a disputed issue(s) to the Departmental Grants Appeals Board under Part 16 of this subtitle.

#### § 75.2 Scope.

(a) This subpart applies to all disputes arising from determinations made by a Director, Division of Cost Allocation (DCA), in the Department's regional Offices including, but not limited to:

(1) Indirect cost rates negotiated with colleges and universities, State and local government agencies, hospitals, and non-profit institutions.

(2) Patient care rates and amounts associated with the care of patients participating in research programs supported by the Department.

(3) Cost allocation plans negotiated with State and local units of government other than plans provided for under paragraph (a)(5) of this section.

(4) Fringe benefit rates, computer rates or costing methodologies and other special rates negotiated with colleges and universities, State and local

government agencies, hospitals, and non-profit institutions.

(5) Cost allocation plans with State public assistance agencies as described in Subpart E of 45 CFR Part 95.

(6) Disallowances by the Director, DCA, of costs as described in Subpart E of 45 CFR Part 95.

(b) Notwithstanding paragraph (a) of this section, this subpart shall not be applicable to disputed issues which are appealed to the Armed Services Board of Contract Appeals under a contract with the Department.

#### § 75.3 Definitions.

For purposes of this subpart:

(a) *Grantee* means the agency institution or organization named as grantee in a grant award document issued by an Operating Division of the Department. For disputes involving cost allocation plans, this term also includes a State or local unit of government which includes an agency that is named as grantee in a grant award document and a State agency as defined in Subpart E of 45 CFR Part 95.

(b) Other terms shall have the meaning set forth in Part 74 of this title, unless the context below indicates otherwise.

#### § 75.4 Notification.

Where an agreement cannot be reached between the Director, DCA, and the grantee, the Director, DCA will promptly notify the grantee in writing of the Director's determination. This notification will set forth the reasons for the determination in sufficient detail to enable the grantee to respond and will inform the grantee of its opportunity for reconsideration under this subpart.

#### § 75.5 Submission to the Regional Director.

If the grantee wishes to request reconsideration of the DCA Director's determination, it may submit an application for such reconsideration to the Regional Director. The grantee's application must be postmarked or hand delivered no later than 30 days after receipt of the notification described in § 75.4. The Regional Director, however, may grant an extension of time for submission of the application if the extension